

BEFORE THE
MISSOURI ETHICS COMMISSION

Filed
JAN 13 2016
Missouri Ethics
Commission

MISSOURI ETHICS COMMISSION,)	
)	
Petitioner,)	
)	
v.)	
)	
WANDA RHODES,)	Case No. 15-0050-I, 15-0054-I, 15-0057-I
)	
DOUG ARNZEN,)	
)	
AND)	
)	
TIM WISEMAN,)	
)	
Respondents.)	

CONSENT ORDER

The parties have filed a Joint Stipulation of Facts, Waiver of Hearing, and Proposed Consent Order with the Missouri Ethics Commission. Accordingly, the Missouri Ethics Commission accepts as true the facts stipulated and finds that Respondent Rhodes and Wiseman violated Section 130.031.8, and Respondents Arnzen, Rhodes, and Wiseman violated Sections 130.021.5, 130.041, 130.046 and 130.036.8, , RSMo.

1. The Commission directs that the Joint Stipulation be adopted.
2. Respondents shall comply with all relevant sections of Chapter 130, RSMo.
 - a. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondent Rhodes in the amount of \$100 for Counts 1 and 2, pursuant to Section 105.961.4(6), RSMo.
 - b. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondent Wiseman for \$100 for Count 2, pursuant to Section 105.961.4(6), RSMo.

- c. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondents Rhodes, Arnzen and Wiseman in the amount of \$1,000 for Count 3, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$100 of that fee within forty-five days after the date of the Order, the remainder of the fee will be stayed.
- d. All fees will be paid by check or money order made payable to the Missouri Ethics Commission.
- e. Regardless of the stay in paragraph 2.d above, if any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this Order, then the Respondent who committed the violation will be required to pay the remainder of the fee. The fee will due immediately upon final adjudication finding that such Respondent has committed such a violation..

SO ORDERED this 13th day of January, 2016

By



Charles E. Weedman, Jr., Chair
Missouri Ethics Commission

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MISSOURI ETHICS COMMISSION,

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WANDA RHODES,

DOUG ARNZEN

AND

TIM WISEMAN,

Respondents.

Case No.15-0050-I, 15-0054-I, &
15-0057-I

**JOINT STIPULATION OF FACTS, WAIVER OF HEARING
BEFORE THE MISSOURI ETHICS COMMISSION, AND
CONSENT ORDER WITH JOINT PROPOSED
FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The undersigned parties jointly stipulate to the facts and consent to the action set forth below.

The undersigned Respondents, Rhodes, Arnzen and Wiseman, acknowledge that they have received and reviewed a copy of the Complaint filed by the Petitioner in this case, and the parties submit to the jurisdiction of the Missouri Ethics Commission.

The undersigned Respondents further acknowledge that they are aware of the various rights and privileges afforded by law, including but not limited to: the right to appear and be represented by counsel; the right to have all allegations against Respondents be proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against Respondents; the right to present evidence on Respondents' behalf at the hearing; and the right to a decision upon the record of the hearing. Being aware of

these rights provided to Respondents by operation of law, the undersigned Respondents knowingly and voluntarily waive each and every one of these rights and freely enter into this Joint Stipulation of Facts, Waiver of Hearing before the Missouri Ethics Commission, and Consent Order with Joint Proposed Findings of Fact and Conclusions of Law, and agree to abide by the terms of this document.

This Joint Stipulation may be executed by the parties in counterparts which, taken together, shall constitute a single agreement and may not be altered or amended except in the manner provided herein.

I.

Based upon the foregoing, the Petitioner and the undersigned Respondents jointly stipulate to the following and request that the Missouri Ethics Commission adopt as its own the Joint Proposed Findings of Fact and the Joint Proposed Conclusions of Law, as follows:

JOINT PROPOSED FINDINGS OF FACT

1. The Missouri Ethics Commission is an agency of the State of Missouri established pursuant to Section 105.955, RSMo, in part for the purpose of enforcing the provisions of Chapter 130, RSMo.
2. Respondents Rhodes, Arnzen, and Wiseman are residents of Bollinger County, Missouri.
3. Pursuant to Sections 105.957 and 105.961, RSMo, the Commission's staff investigated three (3) separate complaints filed with the Commission and reported the investigation findings to the Commission.

4. Based on the investigation report, the Commission determined that there were reasonable grounds to believe that violations of law occurred, and it therefore authorized a hearing in this matter pursuant to Section 105.961.3, RSMo.

5. On January 12, 2015, the Bollinger County Commission approved Proposition L to appear on the April 7, 2015, ballot.

6. Proposition L was a successful ballot measure asking the voters of Bollinger County, Missouri, to lower the County's library tax rate from 20 cents to 10 cents.

7. On February 25, 2015, Respondent Rhodes purchased 5,000 flyers supporting Proposition L. A true and accurate copy of the flyer is attached as *Exhibit A*.

8. The flyers stated "Paid for by the friends of the Concerned Citizens of Bollinger County."

9. No committee was registered with the Bollinger County Clerk or the Missouri Ethics Commission with the name "Concerned Citizens of Bollinger County" at the time of the April 7, 2015, election.

10. Respondent Rhodes paid \$264.54 for the flyers from her personal funds.

11. In March 2015, Respondent Rhodes distributed the flyers throughout Bollinger County outside of Marble Hill.

12. On March 30, 2015, Respondent Rhodes ordered a half-page ad from a local newspaper supporting Proposition L. A true and accurate copy of the ad is attached as *Exhibit B*.

13. At the time Respondent Rhodes purchased the newspaper ad, she did not know the identity of everyone who paid for the newspaper ad; at the suggestion of the newspaper, Respondent Rhodes instructed the newspaper to place the statement "For a list of sponsors: Wanda Rhodes, HC64 Box 4330, Marble Hill, MO 63764."

14. Respondent Rhodes paid \$345 in cash for the newspaper ad.
15. The \$345 in cash came from Respondent Wiseman.
16. After the ad, several individuals contacted Respondent Rhodes for a list of sponsors, but received no response.
17. In August 2015, a third individual provided \$9 in cash to pay for the full cost of the ad, which was \$354, instead of \$345.
18. On March 30, Respondent Arnzen paid \$100 for a radio ad that would run for thirty seconds, approximately fifty to sixty times prior to the April 7 election.
19. The radio ad stated:

A message to the voters of Bollinger County. A 'yes' vote on Proposition L on April 7th will support our community. For over 60 years our BCL grew and expanded prior to the 2006 tax increase. With the help from community involvement our library added services, employees, building expansions, a computer lab, and so forth. But the times have changed and technology is now in the homes of our Bollinger County residents changing the way we read, communicate and connect on a day to day basis. The world is now at our fingertips and our public library should be in line with our changing community and times. Wise budgets make for a prospering community. Tax dollars need to be spent where tax dollars are needed. 10 cents makes sense, 20 cents is nonsense. A 'yes' vote on April 7th will support your county, lower our taxes, and not close our library."

20. Respondents Rhodes, Wiseman, and Arnzen are a combination of persons who accepted contributions and made expenditures in excess of \$500 in support of Proposition L, a ballot measure in the April 7, 2015, election.

21. Respondent Rhodes made an in-kind contribution of \$264.54 for 5,000 flyers.

22. Respondent Wiseman made a contribution of \$345 for the newspaper ad.

23. Respondent Arnzen made a contribution of \$100 for the radio ad.

24. Respondents received a \$9 contribution from another individual who helped pay the remaining balance for the newspaper ad.

JOINT PROPOSED CONCLUSIONS OF LAW

COUNT I

“Paid for by” disclosure for flyer (Respondent Rhodes)

25. “Any person publishing, circulating, or distributing any printed matter relative to ... any ballot measure shall on the face of the printed matter identify in a clear and conspicuous manner the person who paid for the printed matter with the words ‘Paid for by’ followed by the proper identification of the sponsor pursuant to this section.” § 130.031.8, RSMo.

26. Printed matter includes “any pamphlet, circular, handbill, sample ballot, advertisement, including advertisements in any newspaper or other periodical, sign, including signs for display on motor vehicles, or other imprinted or lettered material.” § 130.031.8, RSMo.

27. “In regard to any printed matter paid for by a committee, it shall be sufficient identification to print the name of the committee as required to be registered by subsection 5 of section 130.021 and the name and title of the committee treasurer who was serving when the printed matter was paid for.” § 130.031.8(2), RSMo.

28. "In regard to any printed matter paid for by an individual or individuals, it shall be sufficient identification to print the name of the individual or individuals and the respective mailing address or addresses." § 130.031.8(4), RSMo.

29. "No person shall accept for publication or printing nor shall such work be completed until the printed matter is properly identified as required by this subsection." § 130.031.8, RSMo.

30. There is probable cause to believe that Respondent Rhodes violated Section 130.031.8, RSMo, by publishing, circulating, and distributing 5,000 flyers with an incorrect "paid for by" disclosure statement, and that Respondent Rhodes did so knowingly.

COUNT II

"Paid for by" disclosure for newspaper ad (Respondents Rhodes and Wiseman)

31. "Any person publishing, circulating, or distributing any printed matter relative to ... any ballot measure shall on the face of the printed matter identify in a clear and conspicuous manner the person who paid for the printed matter with the words 'Paid for by' followed by the proper identification of the sponsor pursuant to this section." § 130.031.8, RSMo.

32. Printed matter includes "any pamphlet, circular, handbill, sample ballot, advertisement, including advertisements in any newspaper or other periodical, sign, including signs for display on motor vehicles, or other imprinted or lettered material." § 130.031.8, RSMo.

33. "In regard to any printed matter paid for by a committee, it shall be sufficient identification to print the name of the committee as required to be registered by subsection 5 of section 130.021 and the name and title of the committee treasurer who was serving when the printed matter was paid for." § 130.031.8(2), RSMo.

34. "In regard to any printed matter paid for by an individual or individuals, it shall be sufficient identification to print the name of the individual or individuals and the respective mailing address or addresses." § 130.031.8(4), RSMo.

35. "No person shall accept for publication or printing nor shall such work be completed until the printed matter is properly identified as required by this subsection." § 130.031.8, RSMo.

36. There is probable cause to believe that Respondents Rhodes and Wiseman violated Section 130.031.8, RSMo, by publishing, circulating, and distributing a newspaper ad with an incorrect "paid for by" disclosure statement, and that Respondents Rhodes and Wiseman did so knowingly.

COUNT III

Failure to register committee and file disclosure reports (Respondents Rhodes, Wiseman, and Arnzen)

37. A "committee" is "a person or any combination of persons, who accepts contributions or makes expenditures for the primary or incidental purpose of influencing or attempting to influence the action of voters for against ... the passage or defeat of any ballot measure." § 130.011(7), RSMo.

38. "Committee" does not include a "person or combination of persons, if neither the aggregate of expenditures made nor the aggregate of contributions received during a calendar year exceeds five hundred dollars and if no single contributor has contributed more than two hundred fifty dollars of such aggregate contributions." § 130.011(7), RSMo.

39. A "contribution" is a "payment, gift, loan, advance, deposit, or donation of money or anything of value for the purpose of supporting or opposing ... passage or defeat of any ballot measure." § 130.011(12), RSMo.

40. "A contribution of anything of value shall be deemed to have a money value equivalent to the fair market value." § 130.011(12), RSMo.

41. An "in-kind contribution" is a "contribution ... in a form other than money."

42. A "campaign committee" is a "committee, other than a candidate committee, which shall be formed by an individual or group of individuals to receive contributions or make expenditures and whose sole purpose is to support or oppose the qualification and passage of one or more particular ballot measures in an election ... such committee shall be formed no later than thirty days prior to the election for which the committee receives contributions or makes expenditures, and which shall terminate the later of either thirty days after the general election or upon the satisfaction of all committee debt after the general election, except that no committee retiring debt shall engage in any other activities in support of a measure for which the committee was formed." § 130.011(8), RSMo.

43. Campaign committees for a local ballot measure must file a statement of committee organization with the local election authority for the measure to be voted on, § 130.021.5, RSMo, which in the case of Bollinger County, Missouri, is the County Clerk. § 130.026, RSMo.

44. Campaign committees must file regular disclosure reports identifying contributions and expenditures. §§ 130.041, 130.046, RSMo.

45. Campaign committees must appoint a treasurer and maintain an official depository account. § 130.021, RSMo.

46. The treasurer is "ultimately responsible" for filing all reports and statements for the committee. § 130.058, RSMo.

47. Campaign committees must maintain records of all contributions and expenditures for three (3) years after the election to which the records pertain. § 130.036.8, RSMo.

48. There is probable cause to believe that Respondents violated Sections 130.021.5, 130.041, 130.046, and 130.036.8, RSMo, by failing to timely file a statement of committee organization, failing to file regular disclosure reports of contributions and expenditures, failing to appoint a treasurer and maintain an official depository account, and that Respondents did so knowingly.

II.

Based on the foregoing, the parties hereto mutually agree and stipulate that the following shall constitute the order entered by the Missouri Ethics Commission in this matter. This order will be effective immediately upon the issuance of the Consent Order of the Missouri Ethics Commission without further action by any party:

1. The parties understand that the Petitioner will maintain this Joint Stipulation as an open and public record of the Missouri Ethics Commission.
2. The Commission shall issue its Consent Order in the form attached hereto as Exhibit C.
 - a. Respondents shall comply with all relevant sections of Chapter 130, RSMo.
 - b. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondent Rhodes in the amount of \$100 for Counts 1 and 2, pursuant to Section 105.961.4(6), RSMo.
 - c. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondent Wiseman for \$100 for Count 2, pursuant to Section 105.961.4(6), RSMo.
 - d. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondents Rhodes, Arnzen and Wiseman in the amount of \$1,000 for Count 3, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$100 of that fee within forty-five days after the date of the Order, the remainder of the fee will be stayed.

e. All fees will be paid by check or money order made payable to the Missouri Ethics Commission.

f. Regardless of the stay in paragraph 2.e above, if any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this Order, then the Respondent who committed the violation will be required to pay the remainder of the fee. The fee will due immediately upon final adjudication finding that such Respondent has committed such a violation..

3. The parties consent to the entry of record and approval of this Joint Stipulation and to the termination of any further proceedings before the Commission based upon the Complaint filed by the Petitioner in the above action.

4. Respondents, together with their heirs, successors, and assigns, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission and its attorneys of or from any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, a claim for attorney's fees whatsoever which Respondents or Respondents' attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases.

SO AGREED:

RESPONDENT WANDA RHODES

By: Wanda Rhodes 1/3/16
Wanda Rhodes Date

RESPONDENT DOUG ARNZEN

By: [Signature] 1-3-16
Doug Arnzen Date

RESPONDENT TIM WISEMAN

By: Tim Wiseman 1-3-16
Tim Wiseman Date

PETITIONER MISSOURI ETHICS COMMISSION

By: James Klahr 1/13/16
James Klahr Date
Executive Director

By: Curtis R. Stokes 1/12/16
Curtis R. Stokes Date
Attorney for Petitioner

Library Tax Issue

Vote YES on Proposition L April 7, 2015

The following question will be on the April 7, 2015 ballot:

Shall the \$.20 per \$100 assessed valuation tax for the Bollinger County Library District be returned to the pre-2006 rate of \$.10 per \$100 assessed valuation?

A vote yes will lower your Bollinger County Property Taxes.

If Proposition L passes it will reduce the tax dollars going to the Library.

If Proposition L passes the Library will NOT close. Adjustments will have to be made, but our library will continue to serve our county and schools.

Why reduce Library funds?

The Library is a business and should operate like a business.

This is business. How many hours a week are there more employees in the library than there are patrons? Most of the regular patrons do not need assistance until they are ready to leave. In 2014, just payroll cost the taxpayers of this county over \$68 per hour plus contract labor, every hour the library was open.

The addition to the Library and the new computers were all completed and paid for in 2004, before the \$.10 tax increase.

In 2006 it might have seemed like a good idea to give the library extra funding.

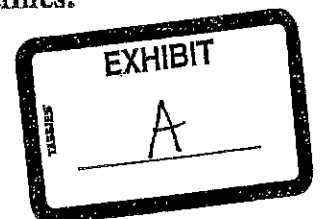
Technology was advancing by leaps and bounds, the economy was growing and we were comfortable. People were also unconcerned and many did not realize the funding increase was on the ballot. There were only 831 people that voted and the issue passed by only 30 votes. Voting is extremely important.

The Library Board spent \$90,000 for four acres of land.

The Library payroll increased from \$74,156.35 in 2006 to \$176,865.99 in 2014.

Bollinger Co. Library taxes increased from \$111,972.37 in 2006 to \$249,736.25 in 2014.

Internet and Smartphone technology has drastically reduced the use of the library as a resource center. Let's adjust library funding for these modern times.



LIBRARY TAX ISSUE

Vote YES on Proposition L April 7, 2015

The following issue will be on the April 7, 2015 ballot:

"Shall the \$.20 per \$100 assessed valuation tax for the Bollinger County Library District be returned to the pre-2006 rate of \$.10 per \$100 assessed valuation?"

If Proposition L passes the Library will NOT close and WILL continue to serve our county and schools.

Why adjust Library funds?

- Did you know the Bo. Co. Library receives as much funding as the Bo. Co. Courthouse from our local tax dollars?
- Did you know the Library receives \$4.00 for every \$5.00 Road and Bridge receives?
- Did you know the total income for the library was over \$311,000.00? In addition to our tax dollars the library receives funds from the Federal and State Governments.
- Did you know the library used only 5% of their budget for media and books?
- Did you know there are 8 employees at the Library, 6 are full time.
- Did you know the Library Director makes more money than any county official? That includes the Sheriff.
- How many hours are there more employees than patrons at the library?

☐ Vote YES to stop the waste!

- Did you know all library employees receive \$.58 per mile for driving their own vehicles?
- Did you know last year payroll cost the taxpayers over \$68 per hour for every hour the library was open?
- Did you know the Library Director admitted before the Commissioners that the computers and most technology has been paid for by grants?
- Did you know over funding does not increase literacy or reduce crime?
- Did you know the Library Board secretly spent \$90,000 for four acres of land?
- Did you know the Library payroll increased from \$74,156.35 in 2006 (before the tax increase) to \$176,865.99 in 2014?
- Did you know the Bollinger County Library taxes increased from \$111,972.37 in 2006 to \$249,736.25 in 2014?

☐ Vote YES on April 7th.

EXHIBIT

B